(e) it so, the locations thereof and by when these centres would be set up?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO): (a) to (c) One growth centre has been allotted for the State for Uttaranchal.The location selected for setting up the growth centre is Sigaddi, District Pauri. Central Government provides a central assistance to the tune of Rs. 1500 lakh for development of the Growth Centre.

(d) No, Sir.

(e) Does not arise, Sir.

SEA Region as a Giant Free Trade Zone

1250. SHRI B.J. PANDA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the Association of South East Asian Nations proposes to transform SEA region into a giant free trade zone by 2020;

(b) if so, the details of the project agreed to at the ASEAN meet at Bali, Indonesia; and

(c) how far this would help to boost the economy?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI SATYABRATA MOOKHERJEE): (a) In the Ninth ASEAN Summit that was held at Bali, Indonesia on 7th October, 2003, the ASEAN leaders underlined the importance of a higher degree of coherence of efforts to achieve the objectives of ASEAN Vision 2020 with those aimed at achieving the Millennium Development Goals, and with those in pursuit of their national development agenda. It was in the year 1997 that the ASEAN leaders adopted the ASEAN Vision 2020, which called for ASEAN Partnership in Dynamic Development aimed at forging closer economic integration within the region. The Vision statement also resolved to create a stable, prosperous and highly competitive ASEAN Economic Region in which there is a free flow of goods, services, investments, capital, and equitable economic development and reduced poverty and socio economic disparities.

(b) and (c) During the Second ASEAN India Summit meeting 'on 8th October, 2003 in Bali, Indonesia, the ASEAN leaders welcomed various initiatives proposed by India in the area of agriculture, bio-technology, HRD and ago-processing. ASEAN leaders also welcomed India's accession to the Treaty of Amity and Cooperation (TAC). Both sides also adopted the Joint Declaration for Cooperation to Combat International Terrorism. A Framework Agreement on Comprehensive Economic Cooperation between ASEAN and India was signed which would strengthen and enhance economic, trade & investment cooperation between the two sides.

Export of Imported Tea

1251. SHRI R.K. ANAND: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the tea imports in 2001-02 have been regarded as cheap and re-exported, which has affected India's quality image and are showing a downward trend;

(b) whether the Tea Board has taken this matter with the Directorate General of Foreign Trade to effect necessary procedural amendments towards incorporating multi-country origin declaration for products going out as blends of Indian and imported tea; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO): (a) No Sir. Import of tea is allowed for re-export generally after some value addition blended with indigenous tea. This increases the price competitiveness of Indian tea in the export market and also helps in catering to the consumer preferences for specific blends. The reasons for decline in exports of Indian tea are mainly the increasing competition being faced from other tea producing countries like Sri Lanka, China and Vietnam, tariff and non-tariff barriers imposed by some countries, lower offtake by Russia due to change in- consumer preferences etc.

(b) and (c) In order to ensure that low quality products, including tea, imported from other countries are not blended with Indian products for re-exports, thereby affecting the quality image of Indian products,